



Office of the Inspector General

David R. Shaw, Inspector General

FOR IMMEDIATE RELEASE

November 25, 2008

Contact:

Laura Hill

(916) 893-4538

Office of the Inspector General Fraud Investigation Results In Six Doctors Indicted on Grand Theft

SALINAS--Monterey County District Attorney Dean D. Flippo and Inspector General David Shaw announced today that a criminal Grand Jury indicted six medical doctors on grand theft, violation of Penal Code Section 487(a), and presenting false claims to the State of California, violation of Penal Code Section 72, for over-billing of psychiatric and medical services provided to inmates at the Salinas Valley State Prison.

All six defendants appeared in Monterey County Superior Court today for arraignment and entered pleas of not guilty:

Dr. David Hoban, Age 65, Santa Cruz, CA
Dr. Randy L. Sid, Age 42, Pacific Grove, CA
Dr. Mark Herbst, Age 48, Honolulu, HI
Dr. Wade F. Exum, Age 60, Las Vegas, NV
Dr. Pedro Eva, Age 43, Soledad, CA
Dr. Charles Lee, Age 69, Salinas, CA

These charges stem from an 18 month investigation conducted by the State of California Office of the Inspector General from January 2007 through July 2008, after receiving an anonymous letter that certain doctors were over billing the State of California.

All the doctors, except Dr. Charles Lee, were contract doctors who allegedly submitted false invoices claiming they worked the entire day when the investigation revealed they worked only a portion of the day. Dr. Lee, the Medical Director at Salinas Valley State Prison, allegedly signed each timesheet when he knew the doctors were not working the entire day.

"In a time of mounting prison costs and taxpayer scrutiny, the Office of Inspector General is committed to uncovering fraud in the correctional system, and holding wrongdoers accountable," said Inspector General David R. Shaw.

These charges carry a maximum sentence of four years in prison. District Attorney Dean Flippo stated that the six defendants are scheduled to appear in court on January 13, 2009 at 10:00 a.m. in Department 4 for setting of pretrial and jury trial dates.

####

Office of the Inspector General • www.oig.ca.gov

P.O. Box 348780, Sacramento, CA 95834-8780 • (916) 830-3600 • fax: (916) 928-5974 • inquire@oig.ca.gov